

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

United States Court  
Southern District of Texas  
FILED

FEB 08 2017

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

v.

RICHARD KENT HARRIS,  
DARLENE ANN RILEY,

§  
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§

CRIMINAL NO.

17CR70

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

Count One

(Violation: 18 U.S.C. § 371  
Conspiracy)

From on or about April 27<sup>th</sup>, 2012, through on or about August 23<sup>rd</sup>, 2013, in the Southern District of Texas, **Richard Kent Harris** and **Darlene Ann Riley**, defendants, did knowingly, willfully, and unlawfully conspire, combine, confederate, and agree with each other to, with the intent to devise a scheme and artifice to defraud bankruptcy creditors, transfer assets from Harris and Riley to Riley, to wit, \$67,000 transferred from Harris's and Riley's joint bank account to a bank account under Riley's exclusive control, during or immediately prior to their divorce proceeding, in order to remove those assets from inclusion in Harris's anticipated Chapter 7 bankruptcy proceeding, and for the purpose of executing and concealing said scheme and artifice, filed a bankruptcy petition under Title 11, United States Code, in violation of 18 U.S.C. § 157.

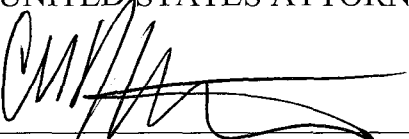
OVERT ACTS

In furtherance of the conspiracy and to effect the objects thereof, the defendants performed the following overt acts in the Southern District of Texas, among others:

- a. On February 26, 2013, Riley withdrew \$67,000 from the joint bank account she shared with Harris and deposited it into a bank account under her sole control.
- b. On April 1, 2013, Harris and Riley filed for divorce for the purpose of shielding certain assets from bankruptcy creditors by awarding those to Riley in the divorce. The divorce was finalized on October 15<sup>th</sup>, 2013.
- c. On October 15, 2013, Harris, in his sole capacity, filed Chapter 7 bankruptcy in the Southern District of Texas. Harris claimed debts totaling \$173,305.19 to American Express, Chase Amazon, Chase Freedom, Discover Card, Jaeger Homes and other unsecured debtors. Harris failed to disclose on his bankruptcy petition the \$67,000 withdrawal from his joint account with Riley.
- d. Harris filed a voluntary petition for bankruptcy on October 15<sup>th</sup>, 2013, which contained a schedule of assets. Harris was obligated to disclose this transfer on his schedule, but intentionally failed to do so.

All in violation of 18 U.S.C. § 371.

KENNETH MAGIDSON  
UNITED STATES ATTORNEY



CHRISTOPHER T. TORTORICE  
SPECIAL ASSISTANT U.S. ATTORNEY

Date: 2.3.17

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CRIMINAL NO. 17CR70

NOTICE OF PENALTY

Count One

Violation: 18 U.S.C. § 371 (Conspiracy)

Penalty: Imprisonment of not more than five (5) years, a fine not to exceed the greater of \$250,000, or twice any pecuniary gain to the defendant or loss to the victim(s); or both; and a term of supervised release of not more than three (3) years.

Special Assessment: \$100